ARTICLE APPEARED
ON PAGE 48

NEWSWEEK 15 October 1984

## An FBI 'Rotten Apple'

The KGB sets a honeytrap for an agent on the skids.

She was an outspoken, 34-year-old Russian émigré with a model's figure and Greta Garbo's chiseled blond looks. He was a debt-ridden, 47-year-old FBI agent, reprimanded by his bosses for poor performance and a slovenly, overweight appearance. Richard Miller, a 20-year veteran assigned



Agent Miller

to the FBI's counterintelligence squad in Los Angeles, was supposed to be monitoring suspicious immigrants like Svetlana Ogorodnikova. Instead, he poured out his myriad troubles to her, falling into the oldest spy snare of allthe honeytrap. In August he reportedly offered to sell classified FBI documents to Ogorodnikova and her estranged husband, Nikolay, for \$65,000. But last week

his fellow FBI men arrested Miller and the two Russians—then absorbed the embarrassment of unraveling the case of the first FBI agent ever charged with espionage.

"It's a very sad day for us," said FBI Director William Webster. But it may turn out to be little more than that. The bureau assessed real damage as possibly minimal. Miller apparently passed just one significant document to the Russians-a classified, 24page manual entitled "Reporting Guidance: Foreign Intelligence Information." While an FBI affidavit said the document "would give the KGB a detailed picture of FBI and U.S. intelligence activities, techniques and requirements," the manual contained no agent names, sources or assignments. "He was caught in a stage where the Soviets were still assessing what they had in him," said a top FBI official. "The timing suggests that the damage is not great."

'Money Man': Still, the FBI was obviously mortified by Miller's bumbling betrayal. At a press conference in Los Angeles, tight-lipped FBI spokesmen refused to detail what the agency gingerly termed the "personal relationship" between Miller and the woman and would only concede that Miller's financial burdens—eight children, two homes, an unsuccessful avocado ranch—had probably "motivated him somewhat."

As the FBI detailed the story, Miller's relationship with Ogorodnikova began in

May, but it wasn't until August that she described her role as a "major" in Soviet intelligence and asked him to work for the KGB, "for which he would be well paid." She introduced him to her "money man," Nikolay Wolfson; Miller searched through FBI records to discover that "Wolfson" was an alias used by Svetlana's husband. At their second meeting, Miller insisted that he didn't want a long-term relationship with the KGB; he would turn over secret FBI documents in Mexico City in return for \$50,000 in gold placed in safetydeposit boxes in Los Angeles and \$15,000 cash on delivery in Mexico.

On Aug. 24 Miller accompanied Svetlana to San Francisco. While he waited in a nearby restaurant, she went to make a "drop" at the Soviet Consulate. She took with her Miller's FBI credentials and badge, which she said she needed for authentication. On their drive back to Los Angeles the next day, Svetlana told Miller that they had been followed and photographed by the KGB.

'Vacation': If true, the KGB was not alone. The FBI also had the couple under surveillance. Svetlana with her pro-Soviet views was hardly an inconspicuous figure in L.A.'s anti-Soviet Russian community. Nor was Nikolay, who infuriated co-workers at a meat-packing plant by singing Russian songs and haranguing them about the virtues of the Soviet Union. The couple distributed Soviet newspapers, rented movie theaters to show Soviet films, socialized with Soviet consular officials and entertained lavishly at Mischa's, a popular Russian restaurant on Sunset Boulevard. Last year, they openly photographed demonstrators at an American-Soviet Cultural Society show. "We couldn't believe it was real spying because it was so obvious," says Alexander Polovets, editor of a Russianlanguage weekly. "They weren't smart enough to be real spies."

When routine surveillance of Svetlana revealed her frequent meetings with Miller, the FBI ordered a wiretap on her phone. Agents began shadowing the couple to meetings in parks, Malibu restaurants and a French café in Santa Monica called The Casino. Meanwhile, the tap was paying dividends. An unidentified caller, speaking in Russian, asked Svetlana when she and her "friend" were going on "vacation." Before hanging up, he reminded her, "Have him bring all the baggage with him."

Svetlana booked flights to Vienna and took Miller shopping for traveling clothes at men's stores in fashionable Westwood. She instructed him to apply for a passport indicating travel plans for Mexico. But the day after Miller picked up his passport, the FBI picked him up. At his home, they found original FBI documents stamped "secret." While the FBI was interrogating Miller, Svetlana was in a panic, calling his home 15 times in 7 hours. At her apartment, they found Nikolay peering through the curtains armed with a semiautomatic handgun. Inside, they found spy paraphernalia such as secret writing implements, code books and microdots and a stack of Soviet propaganda.

Miller, who is expected to plead not guilty this week, managed a wink and a smile for his wife and oldest son in court. But last week's charges were the culmination of a series of personal problems. His excommunication from the Mormon Church last summerfor reasons that were not clear—followed reprimands from the FBI. His salary of about \$40,000 could not keep up with his financial obligations. For a time he sold Amway products out of a government car. Then his alleged get-rich deal with the Russians ended up resembling something closer to the Pink Panther than le Carré. Attorney General William French Smith insisted that the Miller case exposed no institutional failure—just a human one. Said Smith: "Every now and then, a rotten apple is bound to show up." Perhaps most damaging was the precedent: the FBI may not be able to tell new agents that never has it had a traitor in its ranks.

MARK STARR with JANET HUCK in Los Angeles and ELAINE SHANNON in Washington